



Southwestern Idaho News

ADA, ADAMS, BOISE, CANYON, ELMORE, GEM, OWYHEE, PAYETTE, VALLEY & WASHINGTON COUNTIES

ECONOMIC TRENDS

The seasonally adjusted unemployment rate for the Boise-Nampa Metropolitan Statistical Area continued to decline during September, dropping nearly a half percentage point to 3.1 percent from August's rate of 3.5 percent. This compares to the 4.2 percent unemployment rate in September 2004. Total employment in the metropolitan area is up by 15,200 people in since September 2004.

The metropolitan economy added 2,500 nonfarm jobs between August and September. Over the prior year, the Boise-Nampa area added 11,400 nonfarm jobs to the economy, a robust growth rate of 4.7 percent. Approximately 14 percent of those jobs were in the construction industry as records continue to be set in the number of building permits and dollar value of construction projects. The remaining jobs were added in the service sector, mostly in trade, finance, insurance and professional and business services. While many of these jobs include health insurance and other benefits, many of the construction jobs do not. Government also added a significant number of jobs, mostly in state and local education as

**Southwestern Idaho Table 2: Sep 2005
Seasonally Adjusted Labor Force Figures for
Southwestern Idaho Counties**

	Civilian Labor Force	Number Unem- ployed	Percent Unem- ployed	Number Employed
Ada	188,629	5,191	2.8	183,438
Adams	1,895	150	7.9	1,745
Boise	3,933	147	3.7	3,786
Canyon	77,478	2,939	3.8	74,539
Elmore	10,586	532	5.0	10,054
Gem	7,348	327	4.4	7,021
Owyhee	4,983	126	2.5	4,857
Payette	9,632	827	8.6	8,806
Valley	4,273	214	5.0	4,059
Washington	4,718	228	4.8	4,490
Statewide	734,847	25,960	3.5	708,887

**Southwestern Idaho Table 1: Boise City-Nampa MSA Labor Force &
Employment (Ada, Canyon, Boise, Gem and Owyhee counties)**

	Sep 2005*	Aug 2005	Sep 2004	% Change Last Month	% Change Last Year
INDIVIDUALS BY PLACE OF RESIDENCE					
Seasonally Adjusted					
Civilian Labor Force	282,400	281,100	269,800	0.5	4.7
Unemployment	8,700	9,700	11,300	-10.3	-23.0
% of Labor Force Unemployed	3.1	3.5	4.2		
Total Employment	273,700	271,400	258,500	0.8	5.9
Unadjusted					
Civilian Labor Force	277,900	280,600	265,400	-1.0	4.7
Unemployment	7,600	9,200	10,200	-17.4	-25.5
% of Labor Force Unemployed	2.7	3.3	3.8		
Total Employment	270,300	271,400	255,200	-0.4	5.9
JOB BY PLACE OF WORK					
Nonfarm Payroll Jobs**	254,700	252,200	243,300	1.0	4.7
GOODS-PRODUCING INDUSTRIES	49,100	49,400	48,400	-0.6	1.4
Natural Resources & Construction	20,100	20,200	18,500	-0.5	8.6
Manufacturing	29,000	29,200	29,900	-0.7	-3.0
Durable Goods	23,000	23,200	23,300	-0.9	-1.3
Wood Product Manufacturing	1,900	1,900	2,100	0.0	-9.5
Fabricated Metal Products Mfg.	1,400	1,400	1,600	0.0	-12.5
Machinery Manufacturing	1,200	1,200	1,200	0.0	0.0
Computer & Electronic Manufacturing	14,000	14,200	14,300	-1.4	-2.1
Transportation Equipment Mfg.	2,000	2,000	1,900	0.0	5.3
Other Durable Goods	2,400	2,600	2,200	-7.7	9.1
Nondurable Goods	6,000	6,000	6,600	0.0	-9.1
Food Manufacturing	4,200	4,200	4,800	0.0	-12.5
Printing & Related Support Activities	700	700	700	0.0	0.0
Other Nondurable Goods	1,100	1,100	1,100	0.0	0.0
SERVICE-PROVIDING INDUSTRIES	205,600	202,800	194,900	1.4	5.5
Trade, Transportation, & Utilities	48,000	47,800	46,400	0.4	3.4
Trade	41,000	40,900	39,500	0.2	3.8
Wholesale Trade	11,100	11,100	11,000	0.0	0.9
Wholesalers, Durable Goods	6,800	6,800	6,700	0.0	1.5
Wholesalers, Nondurable Goods	3,300	3,300	3,400	0.0	-2.9
Retail Trade	29,900	29,800	28,500	0.3	4.9
Food & Beverage Stores	4,400	4,300	4,400	2.3	0.0
General Merchandise Stores	6,200	6,100	6,000	1.6	3.3
All Other Retail Trade	19,300	19,400	18,100	-0.5	6.6
Transportation, Warehousing, & Utilities	7,000	6,900	6,900	1.4	1.4
Utilities	500	500	600	0.0	-16.7
Transportation & Warehousing	6,500	6,400	6,300	1.6	3.2
Information	5,000	4,800	4,300	4.2	16.3
Telecommunications	2,000	2,000	1,700	0.0	17.6
Financial Activities	13,700	13,600	12,500	0.7	9.6
Finance & Insurance	10,000	9,900	8,900	1.0	12.4
Real Estate & Rental & Leasing	3,700	3,700	3,600	0.0	2.8
Professional & Business Services	37,300	37,700	35,900	-1.1	3.9
Professional, Scientific, & Technical	11,500	11,400	10,600	0.9	8.5
Management of Companies & Ent.	5,600	5,600	5,500	0.0	1.8
Administrative & Support & Waste Mgmt.	20,300	20,700	19,800	-1.9	2.5
Educational & Health Services	31,900	30,900	29,800	3.2	7.0
Educational Services	3,200	2,200	2,000	45.5	60.0
Health Care & Social Assistance	28,700	28,700	27,800	0.0	3.2
Hospitals	9,400	9,400	9,200	0.0	2.2
Leisure & Hospitality	23,000	23,300	22,200	-1.3	3.6
Arts, Entertainment, & Recreation	3,600	3,500	3,300	2.9	9.1
Accommodation & Food Services	19,600	19,700	18,900	-0.5	3.7
Accommodation	2,200	2,300	2,200	-4.3	0.0
Food Services & Drinking Places	17,400	17,400	16,700	0.0	4.2
Other Services	7,200	7,200	6,100	0.0	18.0
Total Government	39,500	37,500	37,700	5.3	4.8
Federal Government	5,800	5,800	6,100	0.0	-4.9
State & Local Government	33,700	31,700	31,600	6.3	6.6
State Government	13,800	13,100	13,200	5.3	4.5
State Government Education	5,100	4,200	4,300	21.4	18.6
State Government Administration	8,700	8,800	8,900	-1.1	-2.2
Local Government	19,900	18,600	18,400	7.0	8.2
Local Government Education	11,400	10,000	10,500	14.0	8.6
Local Government Administration	8,500	8,600	7,900	-1.2	7.6

* Preliminary Estimate

**Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

schools reopened to an ever increasing student population as the region continues to grow. Education accounted for the bulk of nonfarm employment gains in the region. Health care has also been a high growth sector, adding a significant number of new jobs as well.

The September 2005 Civilian Labor Force and Total Employment figures for all 10 counties in southwestern Idaho are shown in Treasure Valley Table 2.

AREA DEVELOPMENTS

Boise MSA

- MotivePower of Boise was recently awarded a contract to build 27 new train engines for the Greater Toronto Transit Authority. This deal is worth an estimated \$112 million. According to the contract, after the initial 27 locomotives are completed, MotivePower has the option of building 26 more at an estimated cost of \$105 million. This is the largest contract MotivePower has ever received, and the local manufacturer beat out manufacturing giant General Electric for the job.
- Capital One Financial Services announced that it is closing its Boise call center. The call center focused on collecting debt Capital One bought from other creditors. Capital One said closed the center because it was getting out of the business of collecting debt run up with other companies. Officials said Capital One intends to only perform this kind of collection work on its own accounts in the future, and that can be done from its call centers in other areas of the country. Approximately 290 people will be permanently laid off, most by February.
- During the fiscal year ending Sept. 30, the Boise office of the Small Business Administration reported a 30 percent gain over the previous year in both the number of loans and the dollar value of those loans. The Boise increases far outpaced those nationally, and this was the sixth straight year the Boise office has had an increase. The Boise Small Business Administration office serves 34 counties in Idaho and six in eastern Oregon.
- The city of Meridian finished its fiscal year approving over 8,000 commercial and residential building permits for both new construction and remodels valued at over \$700 million, an increase of 46 percent from a year earlier. Of the 8,000 plus permits issued 3,127 were for new home construction, a 50 percent increase over a year ago. The city of Boise finished its fiscal year with over 16,500 permits but at a lower total value of \$465 million. Approximately 900 new homes were permitted by Boise, a 37 percent increase over fiscal 2004.
- Home and land prices in Ada and Canyon counties continue to escalate rapidly. During the third quar-

ter of 2005, the number of homes sold was 51.6 percent more than in the third quarter of 2004. The median sales price also showed a double digit increase in the third quarter of 15.5 percent, climbing to \$194,000. In Canyon County, the number of homes sold increased by 61.8 percent in the third quarter of 2005 over 2004, and the median sales price also increased substantially to \$130,200, up 17.4 percent from the third quarter of 2004.

- Prices for sugar beets and sugar are up this year from last. There was no carryover from the 2004 crop, and the recent hurricanes destroyed a sizable portion of the sugar cane crop in the South. As a result, sugar beet growers in the southwestern Idaho are being paid approximately \$36 per ton compared to \$32 per ton last year. Also contributing to these price increases is the fact that local growers selling to Amalgamated Sugar Co. reduced their acreage in sugar beets by about 15 percent. Amalgamated in Nampa will still process approximately 1.1 million tons of beets.
- Three Idaho businesses, two based in Boise, were recently named in Inc. magazine's list of 500 fastest growing private companies. Coming in at number 230 was Bodybuilding.com, an online store that sells fitness products. It was recognized for its incredibly fast growth in sales of 510 percent over the last three years. At number 401 was Treetop Technologies, a software portfolio management company. It posted a three-year sales growth of 342 percent.
- The number of passengers traveling out of the Boise Airport was up 10 percent both annually and in the third quarter of 2005 over a year earlier. This increase was nearly triple that recorded nationally. During the first nine months of the year, over 1.1 million people departed on flights out of the Boise Airport. Airport officials are predicting 2005 will be the first year since 2000 that the number of annual passenger departures exceeds 1.5 million. The increase in passenger traffic has been credited to new flights airlines have begun offering to nearby states as well as cross country destinations.
- California manufacturer Bob Trailers Inc. is moving its corporate facility to Boise. Bob Trailers makes bicycle trailers and strollers used by joggers. Bob Trailers has purchased a 30,000 square foot building, three times the size of the building the manufacturer currently occupies. Bob currently employs 13 people and has plans to add 11 more once the move is complete.

Valley County

- Tamarack Resort just sold out another real estate offering of 129 condominiums at prices ranging from \$350,000 to \$2.78 million. The sale netted

Tamarack another \$120 million to be spent on further development of the resort. Tamarack has had five property sales, and in those sales the largest number of buyers has come from Idaho followed closely by California. Mexico leads the international community of property owners at Tamarack followed by France, Spain and England.

- Due to the increasing cost of living in Valley County, area employers are turning to creative ways to attract and retain employees. Several employers in McCall are now providing housing for employees at reduced rents with the caveat that if they quit they must move out. Other methods that employers are using to recruit employees are paying the security deposit on an apartment or house, paying the first month's rent, paying mileage for those who commute and paying bonuses for length of time on the job.

Adams County

- With all the development and escalating land values occurring in Valley County, the spillover into Adams County was inevitable. According to a recently released housing study done in Adams County, property values in the city of Council have increased over 115 percent during the past year. This increase has pushed the median home price in Council up to \$194,500. Property values in New Meadows have also increased, albeit not as rapidly as Council. But values in New Meadows were already considerably higher than Council and did not have as much room to grow. Property values in New Meadows grew 50 per-

cent over the last year, pushing the median price of a home to \$295,000.

Elmore County

- Marathon Cheese of Wisconsin has announced its intention to locate its newest facility in Mountain Home. Marathon will build a \$27 million, 190,000-square-foot facility on 40 acres near the Mountain Home Airport. About \$17 million of the cost will be the building itself while the remaining \$10 million will be spent on machinery and other equipment to get the plant operational. Construction is scheduled to be complete and the cheese plant up and running by next September. Marathon Cheese expects to initially hire 250 people and increase that to 500 within five years of opening. This new facility in Mountain Home will be Marathon Cheese's third facility. The company currently operates plants in both Wisconsin and Mississippi.
- As a result of the agreement with Marathon Cheese, the city of Mountain Home is in the process of forming an Urban Renewal District. The district will include the land that Marathon Cheese will be building on and the surrounding land, and as one of its first projects, the district will assist with the development of the cheese plant and adjacent business park.

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